

## **City Council Water Committee**

### **Meeting Agenda**

**Friday, July 10, 2015**

**COUNCIL CHAMBERS, CITY HALL, 2<sup>ND</sup> FLOOR**  
**7:30-9:30am**

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of Minutes from April 3, 2015 meeting
- V. Public Comments on Items Not on the Agenda
- VI. Update – Water Resources (Cory Peterson)
  - Water Supply Update
  - Windy Gap Firming Project Update (dates provided by NCWCD)
    - i. 401 Certification – June 22, 2015
    - ii. 404 Permit – September 3, 2015
    - iii. Water Rights Decree – November 6, 2015
    - iv. Design Consultant Selection – November 27, 2015
  - Gross Reservoir Update
- VII. Update – CIP Projects (Cory Peterson/Kurt Kowar)
  - Wastewater Treatment Plant Upgrades
    - i. Status: Under construction (MHW)
    - ii. Contract cost: \$31.2 million
    - iii. Estimated completion: July 2017
  - Louisville/Lafayette Drainageway Improvements
    - i. Status: final design, construction bid advertisement dependent on permitting
    - ii. Engineer's estimate: \$9 million total cost before UDFCD & City of Lafayette contributions
  - Louisville/Superior Interconnect
    - i. Status: final design, project will be bid the fall

- ii. Engineer's estimate: \$1 million
- Howard Berry Water Treatment Plant Sludge Handling
  - i. Status: under construction (Moltz Construction)
  - ii. Contract cost: \$2.17 million
  - iii. Estimated completion: November 2015
- Eldorado Intake Reconstruction
  - i. Status: Notice of award pending final approval from FEMA.
  - ii. Contract cost: \$1.5 million
  - iii. Estimated completion: Pending FEMA/CDBG Clearance
  - iv. Community Ditch Reconstruction Project
- Sid Copeland WTP Contact Tank
  - i. Status: An evaluation of the tank has been completed. A preliminary design contract has been executed to analyze options.
  - ii. Engineer's estimate for design: \$20,000
- Sid Copeland WTP Pump Station
  - i. Status: project scheduled for 2016
  - ii. Engineer's estimate: \$2.4 million
- Lucy Asset Management
- Water Resources Master Plan Update
  - i. Status: Proposal received May 27<sup>th</sup>. Council approval July 14<sup>th</sup>.
  - ii. Contract cost: \$85,000

VIII. Utility Rate

- 2016 Utility Rate Update
- Customer Usage vs Revenue Reports

IX. Live / Work Ordinance

X. Conservation Rebates

XI. Taste and Odor/Water Quality Update

XII. Update – Legal (Alan Hill)

- SB 183 Update
- Eldora

- Coal Ridge
- California Case
- Other Water Court Cases
- Legal Billing / Time at Water Committee Meetings

XIII. Committee Operations

- Future Committee meeting schedule: 7:30-9:30 am October 16,  
7:30-9:30 am January 15, 2016.
- Future reporting for Committee
- Future Role of Water Committee

XIV. Agenda Items and Date for Next Meeting

XV. City Council Upcoming Agenda Items

XVI. Adjourn 9:30 am

Attachments: 2015-04-03 Meeting Minutes, 2014/2015 Water Revenue vs.  
Demand Graph

# **City Council Water Committee**

## **-Draft - Meeting Minutes**

**Friday, April 3, 2015**

**COUNCIL CHAMBERS, CITY HALL, 2<sup>ND</sup> FLOOR**

**9:00-10:30am**

I. **Call to Order** – Jeff Lipton called the meeting to order at 9:02.

II. **Roll Call** was taken and the following members were present:

***City Council: Jeff Lipton, Chris Leh***

***Absent: Robert Muckle***

***Staff Present: Malcolm Fleming, Kurt Kowar, Dmitry Tepo, Graham Clark, Kevin Watson, Alan Hill (Yates Law Firm), Ashley Pollock (Yates Law Firm), Paul Flack (RBI)***

Public: Tom Phare, Cory Peterson

III. **Approval of Agenda:** Agenda approved.

IV. **Approval of the Minutes:** The September 9, 2014, meeting minute approval was deferred to the next meeting.

V. **PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:**

None

VI. **2015 Utility Rates (Kurt Kowar)**

- Previous Efforts to Minimize Rates

- i. Eliminate HBWTP Expansion with Interconnect

Kurt Kowar explained that a \$6,000,000 Howard Berry Water Treatment Plant expansion was deferred because current projections indicate the City's existing plants are sufficient to meet build-out demands. However, in the case that demands trend higher than expected, the City is working on a potable water

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**City of Louisville**

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interconnect with the Town of Superior, which is \$1,000,000 project.

ii. Minimize Drying Bed Construction

In 2012, the City's Capital Improvements Program budgeted around \$6,000,000 for constructing sludge drying beds at both treatment plants. Subsequently, staff conducted a study that determined that constructing drying beds at Howard Berry would result in the most benefit, which is approximately a \$2,350,000 project. Additionally, the existing drying beds at the Sid Copeland plant will be rehabilitated for a much lower cost.

iii. Staffing

Kurt Kowar mentioned that the water and wastewater superintendent positions were consolidated into one, as well as two foreman positions on the operations crew were reduced to one.

iv. Previous Project Savings

Kurt Kowar explained that the 3-million-gallon-tank rehabilitation was reduced from a \$2,500,000 project to an \$800,000 project. The Sid Copeland chlorine contact chamber was reduced from a 2,200,000 to an estimated cost of \$600,000.

v. Joint Utility Potential

Kurt Kowar explained that providing utility services jointly with the Town of Superior would reduce both municipalities' expenses. Jeff Lipton asked whenever possible to defer projects and vet rate increases with the Water Committee prior to presenting to City Council. Kurt Kowar agreed and mentioned that maintenance cannot always be deferred.

**VII. Update – Water Resources (Dmitry Tepo)**

- Water Supply Update

- i. Snow Water Equivalent

The snowpack is slightly below average, but the City's watershed could get additional snowfall in April. The Marshall water account has approximately 1,900 acre-feet, but the lake will be declared full and Louisville will lose its foreign water storage, which is typical of every year where the lake fills.

- Community Ditch Reconstruction Project

Dmitry Tepo explained that FRICO is enclosing a portion of the Upper Community Ditch in a box culvert in the summer and fall of this year. The project is scheduled to start when Louisville would be taking its water, but staff is negotiating with FRICO to minimize the impacts on the City's water supply.

- Windy Gap Firing Project Update (dates provided by NCWCD)

In December of 2014, a Record of Decision was issued, which identifies Chimney Hollow as the preferred alternative. A Carriage Agreement was also signed with the U.S. Bureau of Reclamation that authorized the use of the C-BT project's infrastructure for conveyance of Windy Gap water. Upcoming estimated regulatory completion dates are:

- i. 401 Certification – June 22, 2015
  - ii. 404 Permit – September 3, 2015
  - iii. Water Rights Decree – November 6, 2015
  - iv. Design Consultant Selection – November 27, 2015
- Gross Reservoir Update

Paul Flack explained that Denver Water is expanding the capacity of Gross Reservoir. As part of the environmental approval process, Denver Water was required to create an environmental pool, which is an amount of water that is stored in Gross and is released to South Boulder Creek to promote aquatic life. Lafayette originally signed up to provide water for the environmental pool, but that City may not need the full storage amount they originally requested, and Louisville may be able to participate in storing a portion of its water in the environmental pool. In order for Louisville to qualify, the City has to show an environmental benefit from the water it's storing, which staff is currently reviewing. If this benefit can be shown, Gross Reservoir could become a realistic opportunity to increase Louisville's local basin water storage.

#### **VIII. Update – CIP Projects (Dmitry Tepo/Kurt Kowar)**

- Wastewater Treatment Plant Upgrades
  - i. Status: bidding construction phase, bid opening on April 22
  - ii. Engineer's estimate: \$29 million total construction cost before grants.

Dmitry Tepo mentioned that the City received \$1 million grant with the rest of the project financed with a bond. The current bond amount is \$43 million, which includes this project and the Louisville/Lafayette Drainageway Improvements. That amount is a very conservative estimate and staff is not planning to spend \$43 million. Kurt Kowar mentioned that if project bids are high, other options are requesting a compliance extension for wastewater discharge limits from the Colorado Department of Public Health and Environment or postponing the Drainageway Improvements project.
- Louisville/Lafayette Drainageway Improvements
  - i. Status: final design, construction bid advertisement dependent on permitting.
  - ii. Engineer's estimate: \$9 million total cost before UDFCD & City of Lafayette contributions.

Kurt Kowar mentioned that the project is waiting for easements through the Mayhoffer property.

- Louisville/Superior Interconnect
  - i. Status: final design, project will be bid the fall
  - ii. Engineer's estimate: \$1 million

Kurt Kowar mentioned that the project is financed 50% by Louisville and 50% by Superior, and that both staffs are working on an emergency usage IGA. Jeff Lipton commented that he does not want this interconnect to be in constant operation, but for emergency uses only. Kurt Kowar answered that staff will make sure the IGA clearly states that it's an emergency use structure.
- Howard Berry Water Treatment Plant Sludge Handling
  - i. Status: recommending construction contractor to Council on April 7
  - ii. Engineer's estimate: \$2.2 million

Kurt Kowar mentioned that bids were received and the low bid is at \$2.07 million.
- Eldorado Intake Reconstruction
  - i. Status: permitting & bidding construction phase, construction bid advertisement in late April
  - ii. Engineer's estimate: \$1.1 million

Dmitry Tepo explained that this project will go to the hearing of the Boulder County Commissioners on May 5<sup>th</sup> for a Limited Impact Special Use Review, bids will open on May 19<sup>th</sup>, and it will be presented for Council approval on June 6<sup>th</sup>. Kurt Kowar mentioned that the project will make the intake less susceptible to future floods and enable remote operation, saving staff time and resources.
- Sid Copeland WTP Contact Tank
  - i. Status: evaluation of the tank, report will be ready in early April

This project was not discussed.
- Sid Copeland WTP Pump Station

This project was not discussed.
- Lucity Asset Management

This project was not discussed.
- WWTP Biosolids Disposal

Kurt Kowar explained that until 2013, the biosolids at the wastewater treatment plant were composed on site and given away to the general public. Since then, the plant hired a contractor to dispose of the solids by

hauling. The life cycle cost of hauling is less expensive than composting and does not rely on the general public to pick up the compost. However, several residents let the City know that compost was a valued amenity for them.

**IX. Update – Legal (Alan Hill)**

- SB 183 Update

Alan Hill explained that this bill would limit Division of Water Resources' involvement and ability to comment on future water rights transfer cases. This bill passed the legislative committee and will soon be voted on by the Senate.

- Coal Ridge Negotiations

This item was not discussed.

- Water Court Cases

Alan Hill mentioned two cases his staff and Resource Based International are working on. The first case is the Eldora Mountain Resort attempting to move water up to the ski area. The second case involves Mesa Trail Ranch, which is requesting to move water up to a location where it can be used by the Ranch. Both cases are important to the City because if approved as proposed, they could trigger the instream flow call sooner than it has been historically occurring, which would disable the City from diverting any water from South Boulder Creek.

**X. Committee Operations**

- Previous protocol

Kurt Kowar mentioned that previous Water Committee meetings were informal and were scheduled several times a year, prior to important milestones. Now that the makeup of the Committee is different, staff is asking for guidance on the future protocol.

- Future Committee meeting schedule: 9-10:30 am July 17, 9-10:30 am October 16, 9-10:30 am January 15.

Kurt Kowar mentioned that at the July meeting, staff can present the financial situation update and tap fee revenue. January would be the last meeting with the Committee before rate increases proceed for Council approval. Jeff Lipton asked to give the Committee leeway of several days before and after those dates. Chris Leh suggested a 7:30am meeting time for the future.

- Future reporting for Committee

Jeff Lipton mentioned that the Committee wants to be more engaged before issues go to Council. Kurt Kowar answered that in the future, 2-hour Committee meetings will be held quarterly. Jeff Lipton stated that the Committee would like to review water usage and revenue report at every meeting.

**XI. Water Conservation Efforts**



- Rebates

This item was not discussed.

- Slow the Flow/Public Outreach

This item was not discussed.

- Mobile communications

Kurt Kowar explained that it will cost approximately \$40,000 per year to create a phone application and web access for utility bills and water usage. This would enable customers to compare their usage against averages of their neighbors. Jeff Lipton commented that he doesn't feel comfortable spending money unless it's absolutely necessary. He also asked for a long term plan for the application's use. Chris Leh asked staff to make the case that the application is necessary. Both Chris Leh and Jeff Lipton commented that they don't want to implement the application now. Kurt Kowar mentioned that staff can pilot the program with Water Committee members.

- Water Efficiency Plan

Jeff Lipton commented that he would not be in favor of the mandatory 10-6 watering restrictions. Kurt Kowar mentioned that it is a standard practice that neighboring municipalities have already adopted. Jeff Lipton mentioned that the restriction needs to be carefully crafted so that emergency and maintenance operations are not penalized. Chris Leh requested a list of surrounding communities that have implemented that restriction. He also requested to discuss this Ordinance change at a future Committee meeting and staff to make a case as to why a change from the status quo is necessary. Jeff Lipton commented that the City would have to follow that Ordinance along with the residents. He stated that this issue is not the highest priority on Council's agenda. Kurt Kowar mentioned that the City has to implement conservation measures in order to be eligible for low interest loans and grants through the Colorado Water Conservation Board (CWCB). Jeff Lipton mentioned that he does not believe there is appetite for a water budget rate structure in the community. Dmitry Tepo commented that CWCB understands that water budgets were considered but will not be implemented at this time. Jeff Lipton would like to discuss this topic at the next meeting.

**XII. Agenda Items and Date for Next Meeting**

**XIII. Adjourn:** The meeting was adjourned at 10:46 am by Jeff Lipton.

